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96-45

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READ INSTRUCTIONS CAREFULLY  
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION  
REMITTANCE ADVICE  
FORM 159

Approved by OMB  
3040-0589  
Page No. 1 of 1

(1) LOCKBOX # 979091		<b>DOCKET FILE COPY</b>		SPECIAL USE ONLY	
SECTION A - PAYER INFORMATION					
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) <b>Wellman Cooperative Telephone Association</b>			(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) <b>\$7,725.00</b>		
(4) STREET ADDRESS LINE NO. 1 <b>305 8th Avenue</b>					
(5) STREET ADDRESS LINE NO. 2 <b>P.O. Box 170</b>					
(6) CITY <b>Wellman</b>			(7) STATE <b>IA</b>	(8) ZIP CODE <b>52356</b>	
(9) DAYTIME TELEPHONE NUMBER (include area code) <b>319-646-6075</b>			(10) COUNTRY CODE (if not in U.S.A.)		
FCC REGISTRATION NUMBER (FRN) REQUIRED					
(11) PAYER (FRN) <b>0002592426</b>			(12) FCC USE ONLY		
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET					
(13) APPLICANT NAME <b>Wellman Cooperative Telephone Association</b>					
(14) STREET ADDRESS LINE NO. 1 <b>305 8th Avenue</b>					
(15) STREET ADDRESS LINE NO. 2 <b>P.O. Box 170</b>					
(16) CITY <b>Wellman</b>			(17) STATE <b>IA</b>	(18) ZIP CODE <b>52356</b>	
(19) DAYTIME TELEPHONE NUMBER (include area code) <b>319-646-6075</b>			(20) COUNTRY CODE (if not in U.S.A.)		
FCC REGISTRATION NUMBER (FRN) REQUIRED					
(21) APPLICANT (FRN) <b>0002592426</b>			(22) FCC USE ONLY		
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET					
(23A) CALL SIGN/OTHER ID		(24A) PAYMENT TYPE CODE <b>BEA</b>		(25A) QUANTITY <b>1</b>	
(26A) FEE DUE FOR (PTC) <b>\$7,725.00</b>		(27A) TOTAL FEE <b>\$7,725.00</b>		FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2			
(23B) CALL SIGN/OTHER ID		(24B) PAYMENT TYPE CODE		(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)		(27B) TOTAL FEE		FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2			
SECTION D - CERTIFICATION					
CERTIFICATION STATEMENT I, <u><b>Tony S. Lee</b></u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.					
SIGNATURE <u><i>Tony S. Lee</i></u>			DATE <u><b>10/15/09</b></u>		
SECTION E - CREDIT CARD PAYMENT INFORMATION					
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____					
ACCOUNT NUMBER _____			EXPIRATION DATE _____		
I hereby authorize the FCC to charge my credit card for the service(s) authorization herein described					
SIGNATURE _____			DATE _____		

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FCC FORM 159

FEBRUARY 2003

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FEDERAL COMMUNICATIONS COMMISSION <b>REMITTANCE ADVICE (CONTINUATION SHEET)</b> FORM 159-C Page No <b>2</b> of <b>2</b>		SPECIAL USE  FCC USE ONLY
USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT SECTION BB - ADDITIONAL APPLICANT INFORMATION		
(13) APPLICANT NAME <b>Iowa Telecommunications Services, Inc.</b>		
(14) STREET ADDRESS LINE NO. 1 <b>403 W. 4th Street N.</b>		
(15) STREET ADDRESS LINE NO. 2		
(16) CITY <b>Newton</b>	(17) STATE <b>IA</b>	(18) ZIP CODE <b>50208</b>
(19) DAYTIME TELEPHONE NUMBER (include area code) <b>641-787-2337</b>		(20) COUNTRY CODE (if not in U.S.A.)
FCC REGISTRATION NUMBER (FRN) REQUIRED		
(21) APPLICANT (FRN) <b>0006236475</b>		(22) FCC USE ONLY
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET		
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE	(25A) QUANTITY
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE	FCC USE ONLY
(28A) FCC CODE 1		(29A) FCC CODE 2
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY
(28B) FCC CODE 1		(29B) FCC CODE 2
(23C) CALL SIGN/OTHER ID	(24C) PAYMENT TYPE CODE	(25C) QUANTITY
(26C) FEE DUE FOR (PTC)	(27C) TOTAL FEE	FCC USE ONLY
(28C) FCC CODE 1		(29C) FCC CODE 2
(23D) CALL SIGN/OTHER ID	(24D) PAYMENT TYPE CODE	(25D) QUANTITY
(26D) FEE DUE FOR (PTC)	(27D) TOTAL FEE	FCC USE ONLY
(28D) FCC CODE 1		(29D) FCC CODE 2
(23E) CALL SIGN/OTHER ID	(24E) PAYMENT TYPE CODE	(25E) QUANTITY
(26E) FEE DUE FOR (PTC)	(27E) TOTAL FEE	FCC USE ONLY
(28E) FCC CODE 1		(29E) FCC CODE 2
(23F) CALL SIGN/OTHER ID	(24F) PAYMENT TYPE CODE	(25F) QUANTITY
(26F) FEE DUE FOR (PTC)	(27F) TOTAL FEE	FCC USE ONLY
(28F) FCC CODE 1		(29F) FCC CODE 2

October 15, 2009

VIA U.S. BANK

Federal Communications Commission  
c/o U.S. Bank – Government Lockbox # 979091  
SL-MO-C2-GL  
1005 Convention Plaza, St. Louis, MO 63101  
(Attention: FCC Government Lockbox)

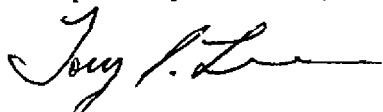
Re: **Wellman Cooperative Telephone Association and  
Iowa Telecommunications Services, Inc.**  
Joint Petition for Study Area Waiver; Petition for Waivers of  
Section 69.605(c) Definition of Average Schedule Company and Section 54.305

To Whom It May Concern:

On behalf of Wellman Cooperative Telephone Association ("WCTA"), and Iowa Telecommunications Services, Inc. ("Iowa Telecom"), transmitted herewith are an original and four (4) copies of the above-referenced petitions. As further detailed therein, the companies request that the Commission waive the definition of "study area" contained in the Appendix-Glossary of Part 36 of the FCC's rules to permit Iowa Telecom to transfer a limited area located in its Williamsburg, Iowa exchange, to the Wellman, Iowa exchange served by WCTA. The transaction will result in the transfer of one access line from Iowa Telecom to WCTA. Furthermore, WCTA requests a waiver of the average schedule company definition and Section 54.305. A waiver of those rules is requested so that WCTA can continue to operate the Wellman exchange as an average schedule company, and so that it can receive universal support for the acquired line in the same matter as its existing lines. A check made payable to the FCC in the amount of \$7,725.00 is enclosed to cover the requisite filing fee.

Please date-stamp the extra copy of this filing, and return it to us in the enclosed envelope. Should you have any questions with respect to this matter, please do not hesitate to contact the undersigned.

Respectfully submitted,



James U. Troup  
Tony S. Lee

Counsel for Wellman Cooperative  
Telephone Association

Enclosures

cc Docket 96-45

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of )

Iowa Telecommunications Services, Inc., )  
Assignor, )

and )

Wellman Cooperative Telephone Association, )  
Assignee, )

Joint Petition for Waiver of the Definition of )  
"Study Area" Contained in Part 36, Appendix- )  
Glossary of the Commission's Rules; Petition )  
for Waiver of Section 69.605(c) of the )  
Commission's Rules Regarding the Definition of )  
"Average Schedule Company," and Section )  
54.305 of the Commission's Rules. )

CC Docket No. 96-45

**JOINT PETITION FOR WAIVER, PETITION FOR WAIVER OF SECTION 69.605(c)  
AND SECTION 54.305**

Wellman Cooperative Telephone Association ("WCTA"), and Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom ("Iowa Telecom") (jointly referred to herein as "Petitioners"), by their undersigned attorneys, and pursuant to Section 1.3 of the Federal Communications Commission's ("FCC" or "Commission") rules,<sup>1</sup> respectfully request a waiver of the definition of "study area" contained in the Appendix-Glossary of Part 36 of the FCC's rules.<sup>2</sup> Furthermore, WCTA requests a waiver of the definition of "average schedule company" contained in Section 69.605(c) of the Commission's rules, and also Section 54.305 of the Commission's rules.

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<sup>1</sup> 47 C.F.R. § 1.3.

<sup>2</sup> 47 C.F.R. Part 36.

As further detailed below, WCTA and Iowa Telecom have entered into an agreement whereby Iowa Telecom will transfer a limited area located in the Williamsburg, Iowa exchange,<sup>3</sup> to the Wellman, Iowa exchange served by WCTA. The transaction will result in the removal of one access line in the Williamsburg exchange, and the addition of that single access line to the Wellman exchange. WCTA further requests waivers, to the extent necessary, of Section 54.305 of the Commission's rules so that it may receive universal service support for the acquired line in the same manner as its existing lines, and of the average schedule company definition in order for WCTA to continue the operation of the Wellman exchange as an average schedule company.

In support hereof, the following is respectfully shown.

#### **I. BACKGROUND**

Iowa Telecommunications Services, Inc., headquartered in Newton, Iowa, began business on June 30, 2000, when it acquired the Iowa operations of GTE Midwest Incorporated ("GTE"). Today, Iowa Telecom is a publicly-traded company (NYSE:IWA) with \$832 million in assets as of June 30, 2009 and approximately \$240 million in annual revenue.<sup>4</sup>

Iowa Telecom operates 288 telephone exchanges in Iowa as the ILEC. Through its subsidiaries Iowa Telecom Communications, Inc. and IT Communications, LLC, Iowa Telecom serves as a CLEC in all exchanges in Iowa in which Qwest is the ILEC. Iowa Telecom also serves ten exchanges in Minnesota as the ILEC through its Lakedale Telephone Company subsidiary. Further, Iowa Telecom currently serves 104 exchanges in Minnesota as the CLEC

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<sup>3</sup> Iowa Telecom's Williamsburg exchange is located in the Iowa Telecom North study area (Study Area Code No. 351167).

<sup>4</sup> Neither of this figures includes the operation of the assets of Sherburne County Rural Telephone Company ("SCRTC") and NorthStar Access, L.L.C. ("NorthStar"), all located within Minnesota, which Iowa Telecom purchased effective July 1, 2009 ("Sherburne Acquisition"). The stated annual revenue figure is based on an annualization of the period January 1, 2009 through June 30, 2009.

through its Lakedale Link, Inc. and Lakedale Link, LLC subsidiaries and majority-owned EN-TEL Communications, LLC subsidiary.<sup>5</sup> Both Iowa Telecom and Lakedale Telephone Company are ILECs, which have in combination fewer than two percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas with each other.<sup>6</sup>

As of June 30, 2009, Iowa Telecom served approximately 236,000 access lines in Iowa and Minnesota, including approximately 203,200 access lines as the ILEC. Also as of that date, Iowa Telecom was the presubscribed long distance provider on approximately 143,200 of its lines, served approximately 79,000 digital subscriber line ("DSL") customers,<sup>7</sup> and served approximately 14,000 dial-up Internet customers.<sup>8</sup> Iowa Telecom resells EchoStar's DISH Network satellite video service to its local exchange customers. Iowa Telecom's mobile wireless operations consist entirely of the resale operations of its Minnesota subsidiary Lakedale Communications, LLC, and of its subsidiary, Montezuma Mutual Telephone Company, in such subsidiary's two-exchange Iowa ILEC territory.<sup>9</sup> Iowa Telecom currently provides service to approximately 2,300 access lines in the Williamsburg exchange, of which only one access line

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<sup>5</sup> This number of exchanges is based on current tariffs and reflects the Sherburne Acquisition.

<sup>6</sup> This fact is not affected by the Sherburne Acquisition.

<sup>7</sup> Iowa Telecom offers DSL service in every exchange in which it operates, although such service is not available to every customer in every exchange.

<sup>8</sup> All figures include both ILEC and CLEC lines/subscribers. None of these additions based on the Sherburne Acquisition, which did not become effective until July 1, 2009. Together, SCRTC and NorthStar currently serve approximately 15,000 ILEC access lines (SCRTC), 9,800 CLEC access lines (NorthStar), and 14,500 DSL customers.

<sup>9</sup> Montezuma Mutual Telephone Company leases its 10 MHz of spectrum covering its two-exchange ILEC territory to Iowa Wireless Services, LLC, which is the underlying service provider. Iowa Telecom and its subsidiaries currently hold Advanced Wireless Service and 700 MHz wireless licenses, but none are operational.

will be involved in the proposed transaction. After the transfer of that access line to WCTA, Iowa Telecom will continue to provide local telephone service in Iowa and will retain its study area for its remaining exchanges.

WTCA is an independent telephone company that provides local exchange telecommunications services in the Wellman exchange, which is comprised of approximately 1,286 access lines. WTCA is an average schedule company, and it is an issuing carrier in the NECA Tariff F.C.C. No. 5. WTCA is a participant in the NECA carrier common line and traffic sensitive pools.

WCTA has provided service to a customer in the Wellman exchange since December 1997 on an adjacent exchange basis. That customer has requested an additional access line, and has expressed a desire to continue to receive service from the Wellman exchange. Accordingly, Petitioners have entered into an asset purchase agreement to transfer a very small area (only 1/4 sq. miles) from the Williamsburg exchange to the Wellman exchange, which will result in the transfer of one access line from Iowa Telecom to WCTA. Upon receipt of all necessary regulatory approvals, and after closing the transaction with Iowa Telecom, WCTA will provide service to the acquired access line as the incumbent local exchange carrier.

Concurrent with this Petition, Petitioners are also filing an Application pursuant to Section 214 of the Communications Act, as amended,<sup>10</sup> for consent to transfer control of the access line being acquired by WCTA. A copy of the Application is attached hereto as Exhibit D. Petitioners will also provide to the affected customer and the Commission the requisite anti-slamming notices pursuant to Section 64.1120(e) of the Commission's rules.<sup>11</sup>

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<sup>10</sup> 47 U.S.C. § 214.

<sup>11</sup> 47 C.F.R. § 64.1120(e).

## II. STUDY AREA WAIVER

As the Commission is aware, the study area boundaries were frozen as of November 15, 1984, to prevent telephone companies from establishing high cost exchanges within their existing service territories as separate companies in order to maximize high cost support.<sup>12</sup> An incumbent local exchange carrier must apply to the Commission for a waiver of the study area boundary freeze if it wishes to sell or purchase additional exchanges,<sup>13</sup> or to sell or purchase access lines.<sup>14</sup> In the instant case, Petitioners seek a waiver to remove one access line from Iowa Telecom's study area, and to add it to the current study area served by WCTA.

Generally, the FCC's rules may be waived only for good cause shown.<sup>15</sup> The Commission has consistently ruled that a waiver is appropriate only if special circumstances warrant a deviation from the general rule, and that such deviation will serve the public interest.<sup>16</sup> In evaluating petitions seeking a waiver of the rule freezing study area boundaries, the Commission has traditionally applied a three-prong standard: (1) the change in study area boundaries must not adversely affect the universal service fund ("USF"); (2) no state

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<sup>12</sup> *MTS and WATS Market Structure, Amendment of Part 67 of the Commission's Rules and Establishment of a Joint Board*, CC Docket Nos. 78-72, 80-286, Recommended Decision and Order, 49 Fed. Reg. 48325, ¶ 66 (1984); Decision and Order, 50 Fed. Reg. 939 (1985). See also 47 C.F.R. § 36 app. ("MTS and WATS Order").

<sup>13</sup> See, e.g., *Nemont Telephone Cooperative, Inc. et al.; Joint Petition for Waiver of the Study Area Boundary Freeze Codified in the Part 36, Appendix-Glossary of the Commission's Rules; Petition for Waiver of Sections 61.41(c)(2), 69.3(e)(11) and 69.605(c) of the Commission's Rules*, Order, 18 FCC Rcd 838 (2003) ("Nemont Telephone").

<sup>14</sup> See, e.g., *Rye Telephone Company, Inc. et al.; Joint Petition for Waiver of Definition of "Study Area" Contained in the Part 36 Appendix-Glossary of the Commission's Rules; Petition for Waiver of Section 61.41(c)(2) of the Commission's Rules*, 15 FCC Rcd 18738 (2000).

<sup>15</sup> 47 C.F.R. § 1.3.

<sup>16</sup> See generally, *WAIT Radio v. FCC*, 418 F.2d 1153 (D.C. Cir. 1969), cert. denied, 409 U.S. 1027 (1972); *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164 (D.C. Cir. 1990); *Nemont Telephone*.



commission having regulatory authority over the transferred exchanges opposes the transfer; and (3) the transfer must be in the public interest.<sup>17</sup> Furthermore, in order to expedite the processing of study area waiver requests, the Commission has requested that certain information be submitted with each petition.<sup>18</sup> The FCC has stated that it will expeditiously review all study area waiver petitions that contain the requested data and that do not present novel issues of fact or law.<sup>19</sup> The instant Petition does not present any novel issues of fact or law, and the supplemental information provided, as well as a demonstration that the FCC's three-prong test is satisfied, is detailed below. Accordingly, swift grant of the requested waivers is appropriate.

**A. Impact on the Universal Service Fund, and to the Extent Necessary, Request for Waiver of Section 54.305 of the Commission's Rules**

In evaluating whether a study area boundary change will have an adverse impact on the universal service fund, the FCC analyzes whether a study area waiver will result in an annual aggregate shift in high-cost loop support in an amount equal to or greater than one-percent of the total high-cost loop support fund.<sup>20</sup> Although Section 54.305 ensures that there will be no adverse impact on the universal service fund, rural carriers may receive additional high-cost loop support for new investments in the acquired exchanges.<sup>21</sup> The Commission applies the one-

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<sup>17</sup> See, e.g., *Nemont Telephone*, ¶ 7; *U.S. West Communications, Inc. and Eagle Telecommunications, Inc., Petition for Waiver of the Definition of "Study Area" Contained in Part 36, Appendix- Glossary of the Commission's Rules*, Memorandum Opinion and Order, 10 FCC Rcd 1771, 1772 (1995).

<sup>18</sup> *Common Carrier Bureau Establishes Expedited Processing Procedures for Petitioners Seeking Part 36 Study Area Waiver*, Public Notice, 10 FCC Rcd 13228 (1995).

<sup>19</sup> *Id.*

<sup>20</sup> *Nemont Telephone*, ¶ 8.

<sup>21</sup> *Blackduck Telephone Company and Arvig Telephone Company; Joint Petition for Waiver of the Definition of "Study Area" Contained in the Part 36, Appendix-Glossary of the Commission's Rules and Related Waiver of Section 54.305 of the Commission's Rules*, Order, 17 FCC Rcd 24602, ¶ 13 (2002).

percent guideline to determine the impact on the universal service fund in light of the “safety valve” support mechanism, which enables rural carriers acquiring access lines to receive additional high-cost loop support for post-transaction investments made to enhance the infrastructure of and improve the service in acquired exchanges.<sup>22</sup>

As further detailed below, there will not be any adverse impact on the universal service fund. The single access line that is involved in this transaction will not significantly change the per-line costs or per-line HCL, LSS, and ICLS support received by WCTA. Attached hereto as Exhibit A are estimates of the amount of “safety valve” support that would be provided to WCTA for the operation of the additional line if a waiver is granted. As demonstrated therein, grant of the instant petition will not have an adverse impact on USF high-cost support as the addition of the single line to WCTA’s line count would result only in an annual net change of \$221 to the USF fund. The Commission has previously granted study area waivers involving many times the number of access lines that are the subject of the instant petition, and in those cases, the FCC found that such transactions would have no adverse impact on the universal service fund.<sup>23</sup>

It is important to note that Section 54.305(b) of the Commission’s rules require that the purchaser of an exchange receiving universal service support receive the same amount of support for the acquired exchange as was received prior to the transfer of the exchange.<sup>24</sup> In this case, the “parent trap”<sup>25</sup> provision in Section 54.305(b), and the “safety valve” provisions in Sections

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<sup>22</sup> *Id.*, ¶¶ 5 and 8.

<sup>23</sup> *See* n. 33, *infra*.

<sup>24</sup> 47 C.F.R. § 54.305(b).

<sup>25</sup> Commissioner Ray Baum of the Federal-State Joint Board referred to rural ILECs who purchase service areas from non-rural ILECs as being caught in the “parent trap” of Section 54.305(b) because they are limited to receiving the amount of USF as that received by the non-

54.305(d)-(f) would limit WCTA to receiving USF support for the acquired access line to the same extent that Iowa Telecom receives such support. WCTA respectfully requests a waiver of those sections to allow WCTA to receive USF support in the same manner as its other access lines.

A waiver is warranted in light of the special circumstances presented here. The proposed transaction is for the transfer of only one access line. There is no risk that there will be any manipulation of the USF support mechanism because, as demonstrated in Exhibit A, the amount of USF support involved is miniscule – a net amount of only \$221 – which does not even amount to a rounding error when compared to the size of the USF. Moreover, the added expense and administration involved with implementing the accounting and regulatory procedures necessary to comply with the “parent trap” and “safety valve” rules for one access line would be unduly burdensome for WCTA as it only serves a total of 1,286 access lines. A waiver would permit WCTA to treat the acquired line in the same manner as the rest of its lines in accordance with its already established USF compliance program, rather than establishing a new and separate set of USF compliance procedures for that one access line.

**B. State Commission Approval**

On May 19, 2009, the Iowa Utilities Board (“Board”) issued an order approving the Petitioners’ request to amend their exchange boundary maps to transfer the subject access line from the Williamsburg to the Wellman exchange. In the order, the Board determined that the request was reasonable because the boundary revision was initiated by the request of an individual seeking service from WCTA, and that no other customers would be affected by the

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*rural ILEC. High-Cost Universal Service Support (Federal-State Joint Board on Universal Service Recommended Decision)*, Recommended Decision, 22 FCC Rcd 20477, 20501 (2007).

change. By issuing the approval, the Board demonstrated that it does not object to the transfer or the instant study area waiver. A copy of the Board's order is attached hereto as Exhibit B.

**C. Public Interest**

The public interest is served by the instant transaction because it will result in the provision of high-quality telecommunications services to a rural consumer by the customer's carrier of choice. Moreover, it will result in direct benefits to the customer requesting to be served by WCTA. Specifically, the transferred customer has requested an additional access line, and desires to obtain that line from WCTA. WCTA intends to install and/or upgrade the equipment necessary to provide the additional access line to the transferred customer. Moreover, WCTA will continue the provision of excellent service quality and customer service to that customer, and it will provide such service at affordable and competitive prices. WCTA's management team will endeavor to ensure that all of its customers continue to receive the high-quality services they are accustomed to receiving, and WCTA will seek to bring innovative and technologically advanced services to subscribers as market conditions warrant. Accordingly, grant of the instant study area waiver request is in the public interest, and should be granted.

**D. Further Information in Support of Petition**

In support of the instant Petition, Petitioners submit the following supplemental information:

**1. Copy of State Regulatory Order**

As discussed above, the Iowa Utilities Board does not object to the requested transfer of subject access line. A copy of the Board's order is attached hereto as Exhibit B.

**2. Statement of Planned Upgrades**

As discussed above, the customer involved has only one access line, and now desires to have an additional line installed. WCTA intends to make such improvements and/or upgrades as necessary to install the additional access line requested. The installation of the additional access line will provide the customer with access to enhanced features provided by WCTA, and improve the reliability of service by virtue of any improvements or upgrades required for the new access line. Additional improvements will be considered and implemented by WCTA as market conditions warrant.

**3. Impact on USF**

A copy of the study performed in estimating the effect on high-cost USF support is attached hereto as Exhibit A. As discussed above, the proposed transaction will not adversely impact the universal service fund.

**4. USF Draw**

The proposed transaction will not have a significant impact on the draw on USF by WCTA and Iowa Telecom as detailed in Exhibit A.

**5. Number of Access Lines**

Iowa Telecom currently provides service to approximately 2,300 access lines in the Williamsburg exchange. The proposed transaction will involve the transfer of a single access line to WCTA, which will be added to its existing 1,286 access lines.

**6. Service Area Map**

Service area maps detailing the area being transferred, and the pre-transfer study area boundary of WCTA is attached hereto as Exhibit C.

### **III. REQUEST FOR WAIVER OF SECTION 69.605(c) – DEFINITION OF AVERAGE SCHEDULE COMPANY**

Section 69.605(c) of the Commission's rules provides, in relevant part, that "a telephone company that was participating in average schedule settlements on December 1, 1982, shall be deemed to be an average schedule company."<sup>26</sup> To the extent necessary, WCTA requests a waiver of Section 69.605(c) so that it may continue to operate as an average schedule company after acquiring the access line that is the subject of the instant Petition from Iowa Telecom.

A waiver of the Commission's rules may only be granted "if good cause therefor is shown."<sup>27</sup> The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest.<sup>28</sup> The Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis.<sup>29</sup> Waiver of the Commission's rules is, therefore, appropriate only if special circumstances warrant a deviation from the general rules, and such deviation will serve the public interest.<sup>30</sup>

The FCC has determined that the special circumstances necessary to justify a waiver of Section 69.605(c) exist for small carriers that lack the resources to operate on a cost-study basis.<sup>31</sup> The definition of "average schedule company" in Section 69.605(c) was premised upon

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<sup>26</sup> 47 C.F.R. § 69.605(c).

<sup>27</sup> 47 C.F.R. § 1.3.

<sup>28</sup> *Nemont Telephone*, ¶ 7.

<sup>29</sup> *Id.*

<sup>30</sup> *Id.*

<sup>31</sup> *Jordan-Soldier Valley Telephone Company and Alpine Communications, L.C.; Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36 Appendix-Glossary of the Commissions Rules and the Definition of "Average Schedule Company" in Section 69.605(c) of the Commission's Rules*, Order, 15 FCC Rcd 21917, 21922 (2000) (citations omitted).

a policy determination by the FCC that only the carriers with the financial resources and expertise to conduct cost studies without undue hardship should be required to measure the actual costs they incur in providing interstate service.<sup>32</sup> Indeed, the FCC has found it appropriate to waive the average schedule company definition for carriers that far exceed the number of lines that WCTA will acquire as a result of the transaction.<sup>33</sup> In this case, only a single access line is involved in the subject transaction.

Moreover, WCTA should not be required to operate as a cost company because it lacks the resources to perform such studies. It currently operates as an average schedule company with only 1,286 lines, and after the transaction, its line count will only increase by one to 1,287 lines. WCTA is a small rural ILEC, and it has extremely limited resources in which to devote to administrative tasks. The company's resources are better spent on customer service and network improvements, rather than cost-studies. Given the extremely small size of the exchange, low line count, and limited resources of the company, the diversion of even one employee away from WCTA's core operations will have a significant impact on the company's ability to serve its

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<sup>32</sup> *Id.* (citing *MTS and WATS Order*, 3 FCC Rcd at 6642).

<sup>33</sup> See, e.g., *Norway Rural Telephone Company and Iowa Telecommunications Services, Inc., Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36, Appendix – Glossary of the Commission's Rules; Petition for Waiver of Sections 69.3(e)(11) and 69.605(c) of the Commission's Rules*, Order, 17 FCC Rcd 20, 127 (2002)(800 access lines); *Jordan Soldier* (640 access lines); *Dumont Telephone Company, Inc., and Universal Communications, Inc., Request for Extraordinary Relief*, Memorandum Opinion and Order, 13 FCC Rcd 17821 (1998) (1,544 access lines); *Petitions for Waiver Filed by Accent Communications, et al.*, Memorandum Opinion and Order, 11 FCC Rcd 11513 (1996) (2,240 access lines); *National Utilities, Inc. and Bettles Telephone Co., Inc. Petition for Waiver of Section 69.605(c) of the Commission's Rules*, Report and Order, 8 FCC Rcd 8723 (1993) (2,350 access lines); *New Castle Telephone Co. Petition for Waiver of Section 69.605(c)*, Memorandum Opinion and Order, 7 FCC Rcd 2081 (1992) (1,550 access lines); *Papago Tribal Utility Authority Petition for Waiver of Section 69.605(c) of the Commission's Rules*, Memorandum Opinion and Order, 2 FCC Rcd 6631 (1987) (400 access lines).

customers and provide them with the high level of service they deserve. WCTA is precisely the type of small rural company to which the FCC envisioned conferring average schedule company status because of the under hardship such companies would suffer if they were required to operate as cost companies. Accordingly, grant of the requested waiver of Section 69.605(c), to the extent necessary, is warranted.

#### IV. CONCLUSION

The proposed transaction is in the public interest because it will result in the provision of high quality telecommunications service to a rural subscriber by the carrier of his choice, and WCTA intends to install or upgrade equipment and service as necessary in order to install an additional access line requested by the customer. The transaction will not have a significant impact on the USF, and WCTA should receive USF support to the same extent as it does for its existing lines, or in the alternative, the Commission should grant a waiver of Section 54.305 because the expense and administration needed to comply with the "parent trap" and "safety valve" rules would be unduly burdensome for a small carrier like WCTA to maintain in light of the single access line involved in this transaction.


Furthermore, permitting WCTA to operate as an average schedule company is warranted because it will only be acquiring one access line from a price cap carrier, and the loss of WCTA's status as an average schedule company would be unduly burdensome, inequitable, and disproportionate in light of the fact that WCTA will be adding only one line to its existing exchange. Indeed, the Commission has previously granted waivers of Section 69.605(c) to carriers many times the size of WCTA.

Accordingly, for the foregoing reasons, Petitioners respectfully request that the Commission grant the instant study area waiver petition, and, to the extent necessary, grant a



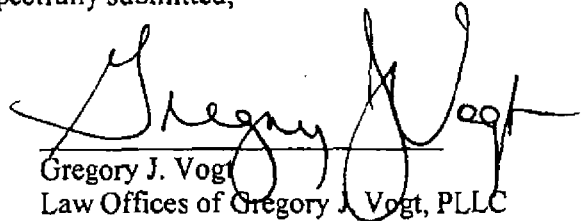
waiver of Section 54.304 of the Commission's rules to permit WCTA to receive USF support in the same manner as its existing lines, and of Section 69.605(c) of the Commission's rules to permit WCTA to operate the Wellman exchange as an average schedule company.

Respectfully submitted,



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Tony S. Lee, Esq.  
VENABLE LLP  
575 7th Street, N.W.  
Washington, D.C. 20004  
Tel.: (202) 344-4000  
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Telephone Association



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Suite 200  
Alexandria, VA 22314  
Tel: (703) 838-0115  
Fax: (703) 684-3620

Counsel for Iowa Telecommunications  
Services, Inc. d/b/a Iowa Telecom

Date: October 14, 2009

**EXHIBIT A**

USF Impact Study

**Table 1A (Status Quo)**

<u>Wellman (SAC #351329)</u>					<u>Iowa Telecom North Study Area (SAC #351167)</u>				
	Lines	Per Line Per Month	Per Month	Annual		Lines	Per Line Per Month	Per Month	Annual
HCL	1,286	\$ 1.17	\$ 1,507	\$ 18,084	HCL	0	\$ -	\$ -	\$ -
LSS	1,286	\$ 4.06	\$ 5,220	\$ 62,640	LSS	0	\$ -	\$ -	\$ -
ICLS	1,266	\$ 9.26	\$ 11,717	\$ 140,604	ICLS	0	\$ -	\$ -	\$ -
IAS	0	\$ -	\$ -	\$ -	IAS	81,578	\$ 2.26	\$ 184,741	\$ 2,216,892
<b>Total</b>	<b>1,286</b>	<b>\$ 14.34</b>	<b>\$ 18,444</b>	<b>\$ 221,328</b>	<b>Total</b>	<b>81,578</b>	<b>\$ 2.26</b>	<b>\$ 184,741</b>	<b>\$ 2,216,892</b>

**Table 1B (After Purchase of One Line)**

<u>Wellman (SAC #351329)</u>					<u>Iowa Telecom North Study Area (SAC #351167)</u>				
	Lines	Per Line Per Month	Per Month	Annual		Lines	Per Line Per Month	Per Month	Annual
HCL	1,287	\$ 1.17	\$ 1,508	\$ 18,098	HCL	0	\$ -	\$ -	\$ -
LSS	1,287	\$ 4.06	\$ 5,224	\$ 62,689	LSS	0	\$ -	\$ -	\$ -
ICLS	1,267	\$ 9.26	\$ 11,732	\$ 140,789	ICLS	0	\$ -	\$ -	\$ -
IAS	0	\$ -	\$ -	\$ -	IAS	81,577	\$ 2.26	\$ 184,739	\$ 2,216,865
<b>Total</b>	<b>1,287</b>	<b>\$ 14.34</b>	<b>\$ 18,465</b>	<b>\$ 221,576</b>	<b>Total</b>	<b>81,577</b>	<b>\$ 2.26</b>	<b>\$ 184,739</b>	<b>\$ 2,216,865</b>
<b>Change</b>				<b>\$ 248</b>					<b>\$ (27)</b>

**Annual Net Change to Universal Service Fund: \$ 221**

Source: USAC Quarterly Administrative Filing with the FCC for Fourth Quarter 2009 (Appendices HC01A and HC 12 for Iowa Telecom, and HC05, HC08, and HC 09 for Wellman). Iowa Telecom and Wellman monthly data based on data for fourth quarter. Iowa Telecom annual data based on annualization of data for fourth quarter.

**EXHIBIT B**

Copy of Iowa Utilities Board Order

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:

IOWA TELECOMMUNICATIONS  
SERVICES, INC., d/b/a IOWA TELECOM,  
AND WELLMAN COOPERATIVE  
TELEPHONE ASSOCIATION

DOCKET NO. SPU-2009-0004  
(TF-2009-0056,  
TF-2009-0057)

**ORDER APPROVING CHANGES TO EXCHANGE BOUNDARY MAPS**

(Issued May 19, 2009)

On March 26, 2009, Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom (Iowa Telecom), filed with the Utilities Board (Board) a request to change its exchange boundary map for the Williamsburg and Oxford, Iowa, exchanges. The filing has been identified as TF-2009-0056.

Iowa Telecom's request proposes to transfer a limited area that is currently located in the Williamsburg exchange to the Wellman, Iowa, exchange served by Wellman Cooperative Telephone Association (Wellman Cooperative). Iowa Telecom states that Wellman Cooperative has provided service to a customer in the affected area on an adjacent exchange basis since December 1997. Iowa Telecom asserts that the customer requested an additional line and wants to continue to receive service from the Wellman exchange. Iowa Telecom states that Wellman Cooperative has the facilities available to provide the additional services. Iowa Telecom also states that a change is required to the Oxford, Iowa, exchange map to properly reflect

where the Iowa Telecom exchanges meet and where the boundaries for the Iowa Telecom exchange meet with Wellman Cooperative's exchanges.

Also on March 26, 2009, Wellman Cooperative filed a corresponding request to revise its boundary map for the Wellman exchange. Wellman Cooperative's request reflects the same customer's request to receive service from Wellman Cooperative from the Wellman exchange. The filing is identified as TF-2009-0057.

The Board will approve the proposed changes to the Williamsburg, Oxford, and Wellman exchange boundaries submitted by Iowa Telecom and Wellman pursuant to Iowa Code § 476.29(8). The Board finds the changes are reasonable since the boundary revision was initiated at the request of an individual who is seeking service from Wellman Cooperative and no other customers will be affected by the change. Both Iowa Telecom and Wellman Cooperative agree to the boundary changes.

Iowa Telecom's and Wellman Cooperative's requests merely change the boundaries of current exchanges covered by each party's certificate. Therefore, amended certificates are not needed.

**IT IS THEREFORE ORDERED:**

1. The request by Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom, filed on March 26, 2009, and amended on May 6, 2009, identified as TF-2009-0056, to change the exchange boundary map for the Williamsburg and Oxford,

Iowa, exchanges is granted. Revised maps for the Williamsburg and Oxford exchanges shall be filed with the Board within 30 days of the issuance of this order.

2. The request by Wellman Cooperative Telephone Association filed on March 26, 2009, identified as TF-2009-0057, to change the exchange boundary map for the Wellman, Iowa, exchange is granted. A revised map for the Wellman exchange shall be filed with the Board within 30 days of the issuance of this order.

3. The proposed changes, identified as Docket No. SPU-2009-0004, are approved and become effective upon the issuance of this order.

**UTILITIES BOARD**

/s/ Robert B. Berntsen

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Darrell Hanson

Dated at Des Moines, Iowa, this 19<sup>th</sup> day of May, 2009.

**EXHIBIT C**

Service Area Maps

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IF- 98-530

WELLMAN CO-OP TELEPHONE ASSN

WELLMAN EXCHANGE  
AREA BOUNDARY MAP

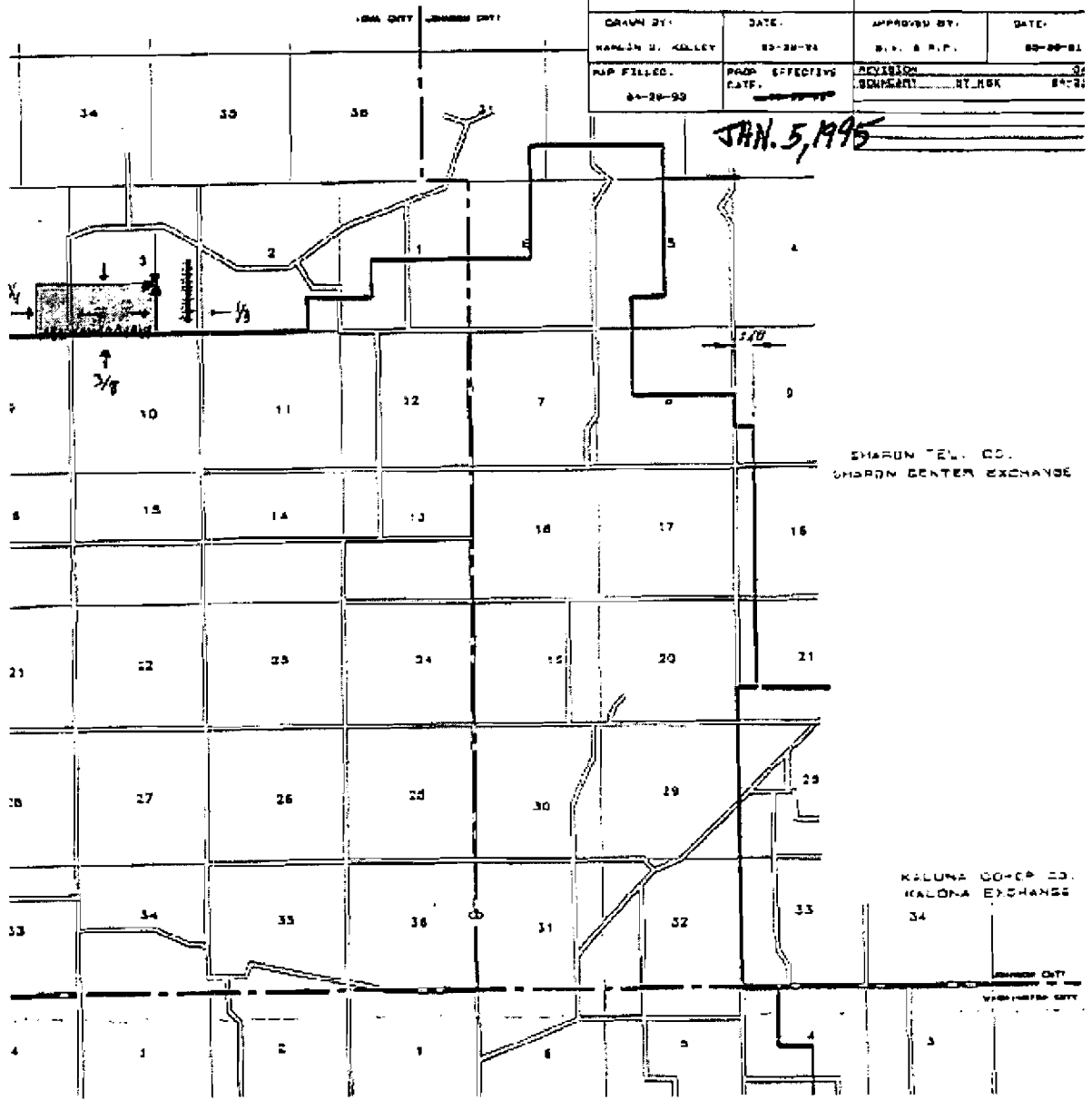
GENERAL TEL. OF OMAHA  
OXFORD EXCHANGE

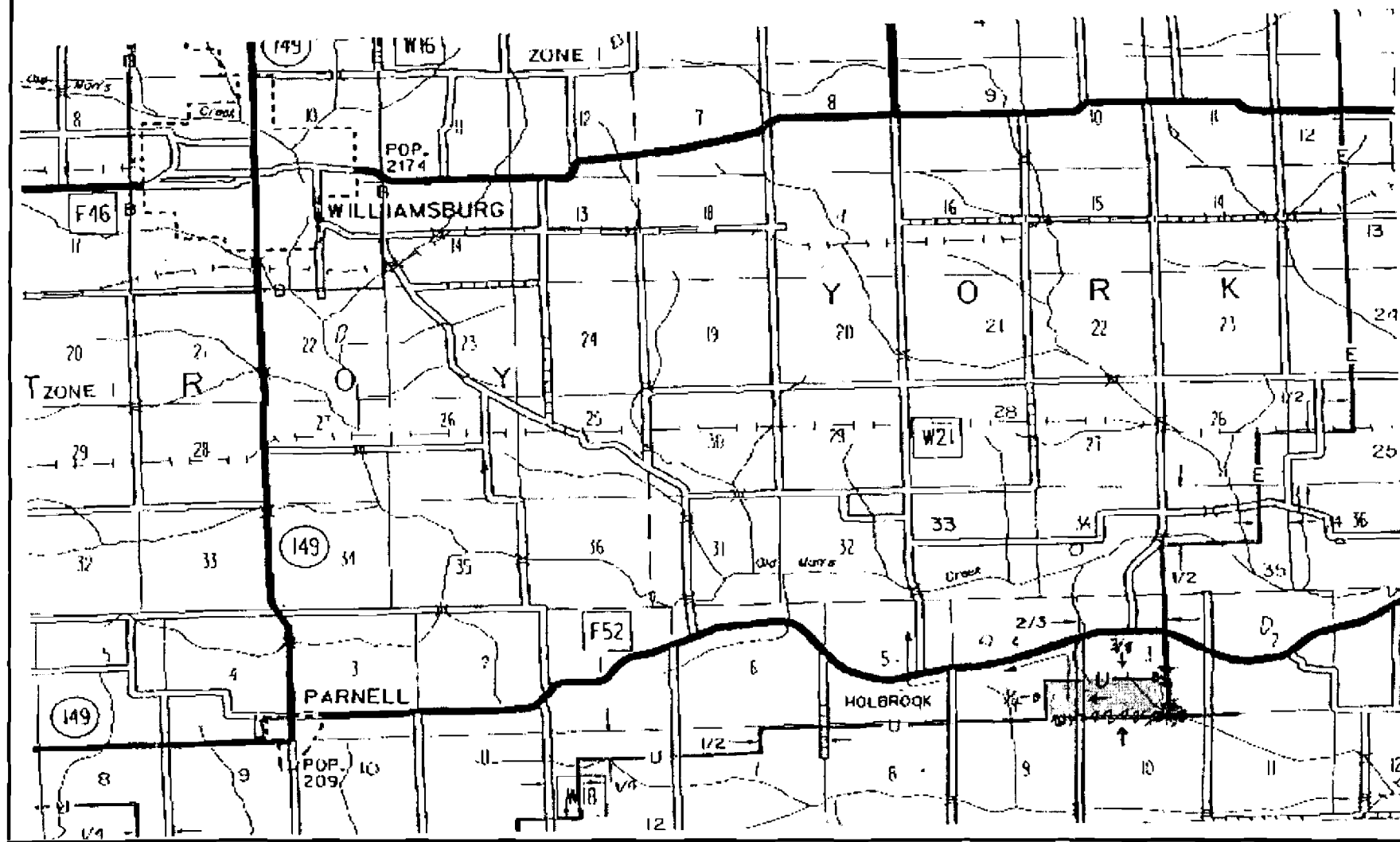
SCALE: 1" = 1 MILE

Huntel Engineer  
P.O. Box 495, P.O. Box 495, P.O. Box 495, P.O. Box 495

DRAWN BY: HAROLD W. KELLEY	DATE: 03-28-91	APPROVED BY: D. L. & R. P.	DATE: 03-28-91
MAP FILLED: 01-28-90	PAID EFFECTIVE DATE: 01-28-90	REVISION SUBMITT	BY: HT. RSK

JAN. 5, 1995





**EXHIBIT D**

Section 214 Application for Transfer of Control

In the Matter of )  
)  
)  
Iowa Telecommunications Services, Inc., )  
Assignor, )  
) WC Docket No. 09-\_\_\_\_  
)  
and )  
)  
Wellman Cooperative Telephone Association, )  
Assignee, )  
)  
Application for Assignment of Assets Pursuant )  
to Section 214 of the Communications Act of )  
1934, as Amended. )  
)

<sup>3</sup> 47 C.F.R. § 63.03(b)(1)(iii).

As described in this application, Iowa Telecom has agreed to transfer a single access line served by Iowa Telecom in its Williamsburg, Iowa exchange to WCTA. After the transaction is complete, WCTA will thereafter provide local, intrastate, and interstate telecommunications services to the customer served by the transferred line as part of the Wellman, Iowa Exchange. The Parties have filed a Joint Petition for Waiver of the definition of "study area" contained in the Appendix-Glossary of Part 36 of the Commission's rules to permit Iowa Telecom to transfer a limited area in the Williamsburg exchange containing the subject access line, and to allow WCTA to add that area to the Wellman exchange. In support of this Application, Applicants submit the following information pursuant to Section 63.04 of the Commission's rules:

**(1) The name, address and telephone number of each applicant.**

Transferor: Iowa Telecommunications Services, Inc.  
403 W. 4<sup>th</sup> St. N  
Newton, Iowa 50208  
Tel: (641) 787-2337  
Fax: (641) 787-2347

Transferee: Wellman Cooperative Telephone Association  
305 8th Avenue  
P.O. Box 170  
Wellman, Iowa 52356  
Tel: (319) 646-6075  
Fax: (319) 646-6078

**(2) The government, state or territory under which the laws of which each corporate or partnership applicant is organized.**

Iowa Telecom is incorporated under the laws of Iowa. WCTA is formed under the laws of Iowa.

**(3) The name, title, post office address, and telephone number of the officer or contact person, such as legal counsel, to whom all correspondence concerning the application is to be addressed.**

The designated contacts for Iowa Telecom are as follows:

Edward B. Krachmer  
Director-Regulatory Affairs  
Iowa Telecommunications Services, Inc.  
403 W. 4<sup>th</sup> St. N.  
Newton, IA 50208  
Tel: (641) 787-2337  
Fax: (641) 787-2347

with a copy to:

Gregory J. Vogt  
Law Offices of Gregory J. Vogt, PLLC  
2121 Eisenhower Ave.  
Suite 200  
Alexandria, VA 22314  
Tel: (703) 838-0115  
Fax: (703) 684-3620

The designated contacts for WCTA are as follows:

Randy Kelley, General Manager  
Wellman Cooperative Telephone Association  
305 8th Avenue  
P.O. Box 170  
Wellman, Iowa 52356  
Tel: (319) 646-6075  
Fax: (319) 646-6078

with a copy to:

James U. Troup, Esq.  
Tony S. Lee, Esq.  
VENABLE LLP  
575 7th Street, N.W.  
Washington, DC 20004  
Tel: (202) 344-4000  
Fax: (202) 344-8300

- (4) **The name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of these entities (to the nearest one (1) percent).**

Iowa Telecom: Not applicable. Iowa Telecom is a widely-held, publicly traded corporation that is primarily engaged in the provision of telecommunications services to the public. To the best of its

knowledge, no single party holds a 10 percent or greater interest in Iowa Telecom.

WCTA: Not Applicable. WCTA is a telephone cooperative, and no single party holds a 10 percent or greater interest in WCTA.

- (5) **Certification pursuant to 47 C.F.R. Sections 1.2001 through 1.2003 that no party to this application is subject to denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853.**

Iowa Telecom and WCTA certify, pursuant to Sections 1.2001 through 1.2003 of the Commission's rules, that neither party is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853.

(6) **Description of the Transaction:**

**A. Background.**

Iowa Telecommunications Services, Inc., headquartered in Newton, Iowa, began business on June 30, 2000, when it acquired the Iowa operations of GTE Midwest Incorporated ("GTE"). Today, Iowa Telecom is a publicly-traded company (NYSE:IWA) with \$832 million in assets as of June 30, 2009 and approximately \$240 million in annual revenue.<sup>4</sup>

Iowa Telecom operates 288 telephone exchanges in Iowa as the ILEC. Through its subsidiaries Iowa Telecom Communications, Inc. and IT Communications, LLC, Iowa Telecom serves as a CLEC in all exchanges in Iowa in which Qwest is the ILEC. Iowa Telecom also serves ten exchanges in Minnesota as the ILEC through its Lakedale Telephone Company subsidiary. Further, Iowa Telecom currently serves 104 exchanges in Minnesota as the CLEC through its Lakedale Link, Inc. and Lakedale Link, LLC subsidiaries and majority-owned EN-

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<sup>4</sup> Neither of this figures includes the operation of the assets of Sherburne County Rural Telephone Company ("SCRTC") and NorthStar Access, L.L.C. ("NorthStar"), all located within Minnesota, which Iowa Telecom purchased effective July 1, 2009 ("Sherburne Acquisition"). The stated annual revenue figure is based on an annualization of the period January 1, 2009 through June 30, 2009.

TEL Communications, LLC subsidiary.<sup>5</sup> Both Iowa Telecom and Lakedale Telephone Company are ILECs, which have in combination fewer than two percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas with each other.<sup>6</sup>

As of June 30, 2009, Iowa Telecom served approximately 236,000 access lines in Iowa and Minnesota, including approximately 203,200 access lines as the ILEC. Also as of that date, Iowa Telecom was the presubscribed long distance provider on approximately 143,200 of its lines, served approximately 79,000 digital subscriber line ("DSL") customers,<sup>7</sup> and served approximately 14,000 dial-up Internet customers.<sup>8</sup> Iowa Telecom resells EchoStar's DISH Network satellite video service to its local exchange customers. Iowa Telecom's mobile wireless operations consist entirely of the resale operations of its Minnesota subsidiary Lakedale Communications, LLC, and of its subsidiary, Montezuma Mutual Telephone Company, in such subsidiary's two-exchange Iowa ILEC territory.<sup>9</sup>

WTCA is an independent telephone company that provides local exchange telecommunications services in the Wellman exchange, which is comprised of approximately 1,286 access lines. WTCA is an average schedule company, and it is an issuing carrier in the

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<sup>5</sup> This number of exchanges is based on current tariffs and reflects the Sherburne Acquisition.

<sup>6</sup> This fact is not affected by the Sherburne Acquisition.

<sup>7</sup> Iowa Telecom offers DSL service in every exchange in which it operates, although such service is not available to every customer in every exchange.

<sup>8</sup> All figures include both ILEC and CLEC lines/subscribers. None of these additions based on the Sherburne Acquisition, which did not become effective until July 1, 2009. Together, SCRTC and NorthStar currently serve approximately 15,000 ILEC access lines (SCRTC), 9,800 CLEC access lines (NorthStar), and 14,500 DSL customers.

<sup>9</sup> Montezuma Mutual Telephone Company leases its 10 MHz of spectrum covering its two-exchange ILEC territory to Iowa Wireless Services, LLC, which is the underlying service provider. Iowa Telecom and its subsidiaries currently hold Advanced Wireless Service and 700 MHz wireless licenses, but none are operational.



NECA Tariff F.C.C. No. 5. WTCA is a participant in the NECA carrier common line and traffic sensitive pools.

**B. The transaction that is the subject of this application.**

WCTA has provided service to a customer in the Wellman exchange since December 1997 on an adjacent exchange basis. That customer has requested an additional access line, and has expressed a desire to continue to receive service from the Wellman exchange. Accordingly, Petitioners have entered into an asset purchase agreement to transfer a very small area (only 1/4 sq. miles) from the Williamsburg exchange to the Wellman exchange, which will result in the transfer of one access line from Iowa Telecom to WCTA. Upon receipt of all necessary regulatory approvals, and after closing the transaction with Iowa Telecom, WCTA will provide service to the acquired access line as the incumbent local exchange carrier. The transaction therefore involves only the transfer of the local exchange assets of an incumbent LEC by means other than acquisition of corporate control.<sup>10</sup>

WCTA will continue the provision of a full range of telecommunications services to the one customer affected by the transaction without any interruption to the current services provided to subscribers by Iowa Telecom. WCTA will offer services to the transferred customer at the same rates as those currently available to WCTA's customers in the Wellman exchange. No subscribers will lose their access to local exchange service as a result of the transfer. Moreover, since the transfer of the affected customer to WCTA's services is intended to occur automatically, after notice, the transition will be free of service disruptions.

On May 19, 2009, the Iowa Utilities Board ("IUB or "Board") issued an order approving Applicants' request to amend their exchange boundary maps to transfer the subject access line

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<sup>10</sup> See 47 C.F.R. § 63.03(b)(1)(iii).

from the Williamsburg to the Wellman exchange.<sup>11</sup> In the order, the Board determined that the request was reasonable because the boundary revision was initiated by the request of an individual seeking service from WCTA, and that no other customers would be affected by the change. By issuing the approval, the Board demonstrated that it does not object to the transfer

**(7) Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area.**

The area being transferred covers a very small area – approximately 1/4 sq. miles, and it is located in a rural, sparsely populated section of east central Iowa. A map depicting the transferred area containing the access line being transferred from Iowa Telecom to WCTA is attached hereto as Exhibit A.

Iowa Telecom is an independent ILEC headquartered in Newton, Iowa. Iowa Telecom currently provides local exchange and exchange access service, and other telecommunications services throughout the state of Iowa. WCTA is an independent ILEC headquartered in Wellman, Iowa. WCTA currently provides local exchange and exchange access service, and other telecommunications services to the Wellman, Iowa community.

**(8) A statement as to how the application fits into one or more of the presumptive streamlined categories in Section 63.03 or why it is otherwise appropriate for streamlined treatment.**

This transaction qualifies for presumptive streamlined treatment because it “involves only the transfer of the local exchange assets of an incumbent LEC by means other than an acquisition of control.”<sup>12</sup> As described above, the only asset involved in the transaction is a small 1/4 sq. mile area containing a single access line in the Williamsburg exchange. That area and the access

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<sup>11</sup> See IUB Docket Nos. SPU-2009-0004, TF-2009-0056, and TF-2009-0057.

<sup>12</sup> *Id.*

line will be transferred to WCTA, and no corporate change of control will result from the transaction.

**(9) Identification of all other Commission applications related to the same transaction.**

The parties have filed a joint petition with the Commission seeking (1) a waiver of the definition of "study area" contained in the Appendix-Glossary of Part 36 of the Commission's rules, and (2) a waiver of the definition of "average schedule company" contained in Section 69.605(c) of the Commission's rules. The Petition also requests a waiver, to the extent necessary, of Section 54.305 of the Commission's rules regarding the payment of universal service support to WCTA. The Petition seeks FCC authority to remove the area containing the subject access line from Iowa Telecom's current Iowa study area, and to add it to WCTA's existing study area, which is comprised of the Wellman exchange. The Petition is currently pending before the Commission.

**(10) A statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure.**

Neither of the Applicants is facing imminent business failure. Accordingly, no special consideration of this application on this ground is requested.

**(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction.**

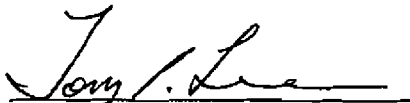
As discussed above, Iowa Telecom and WCTA have filed a joint petition with the Commission seeking a waiver of the definition of "study area" and "average schedule company", and to the extent necessary, Section 54.305 of the Commission's rules. The Petition is currently pending before the FCC.

- (12) **A statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets.**

Grant of the instant application will serve the public interest because it will result in the provision of high-quality telecommunications services to a rural consumer by the customer's carrier of choice. Moreover, it will result in direct benefits to the customer requesting to be served by WCTA. Specifically, the transferred customer has requested an additional access line, and desires to obtain that line from WCTA. WCTA intends to install and/or upgrade the equipment necessary to provide the additional access line to the transferred customer. Moreover, WCTA will continue the provision of excellent service quality and customer service to that customer, and it will provide such service at affordable and competitive prices. WCTA's management team will endeavor to ensure that all of its customers continue to receive the high-quality services they are accustomed to receiving, and WCTA will seek to bring innovative and technologically advanced services to subscribers as market conditions warrant. Accordingly, grant of the instant study area waiver request is in the public interest, and should be granted.

### **Conclusion**

For the reasons stated herein, Iowa Telecom and WCTA respectfully request that the Commission apply presumptive streamlined processing to this Application pursuant to Section 63.03 of the Commission's rules, 47 C.F.R. § 63.03, and upon due consideration of the facts before it, issue an order approving the Application.

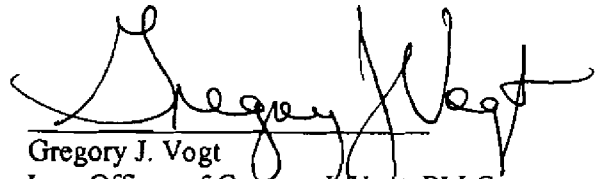


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Counsel for Wellman Cooperative  
Telephone Association

Date: October 14, 2009

Respectfully submitted,



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Fax: (703) 684-3620

Counsel for Iowa Telecommunications  
Services, Inc. d/b/a Iowa Telecom

## **EXHIBIT A**

Maps of the Transferred Area

IF- 93-530

WELLMAN CO-OP TELEPHONE ASSN

WELLMAN EXCHANGE

AREA BOUNDARY MAP

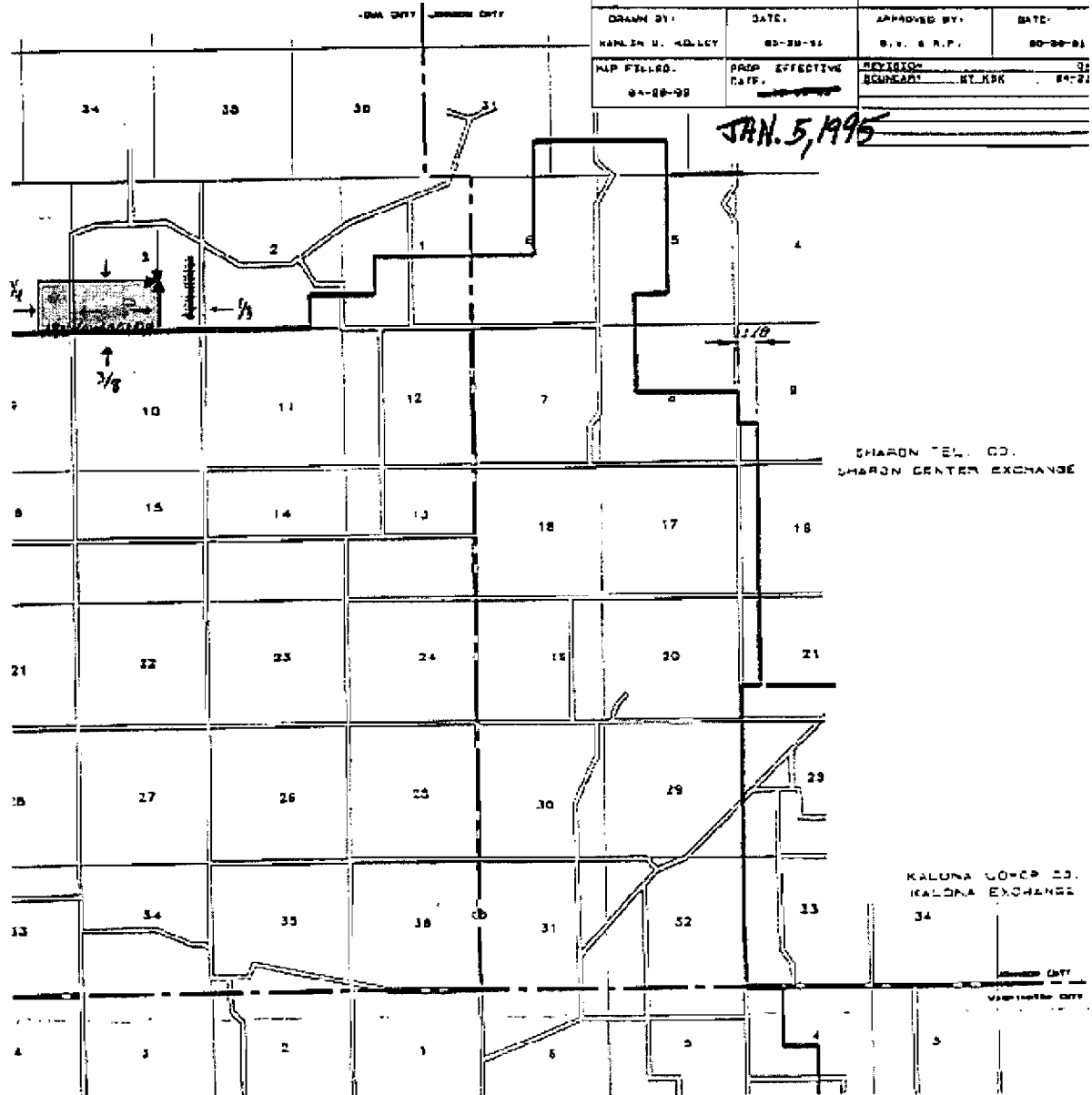
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OXFORD EXCHANGE

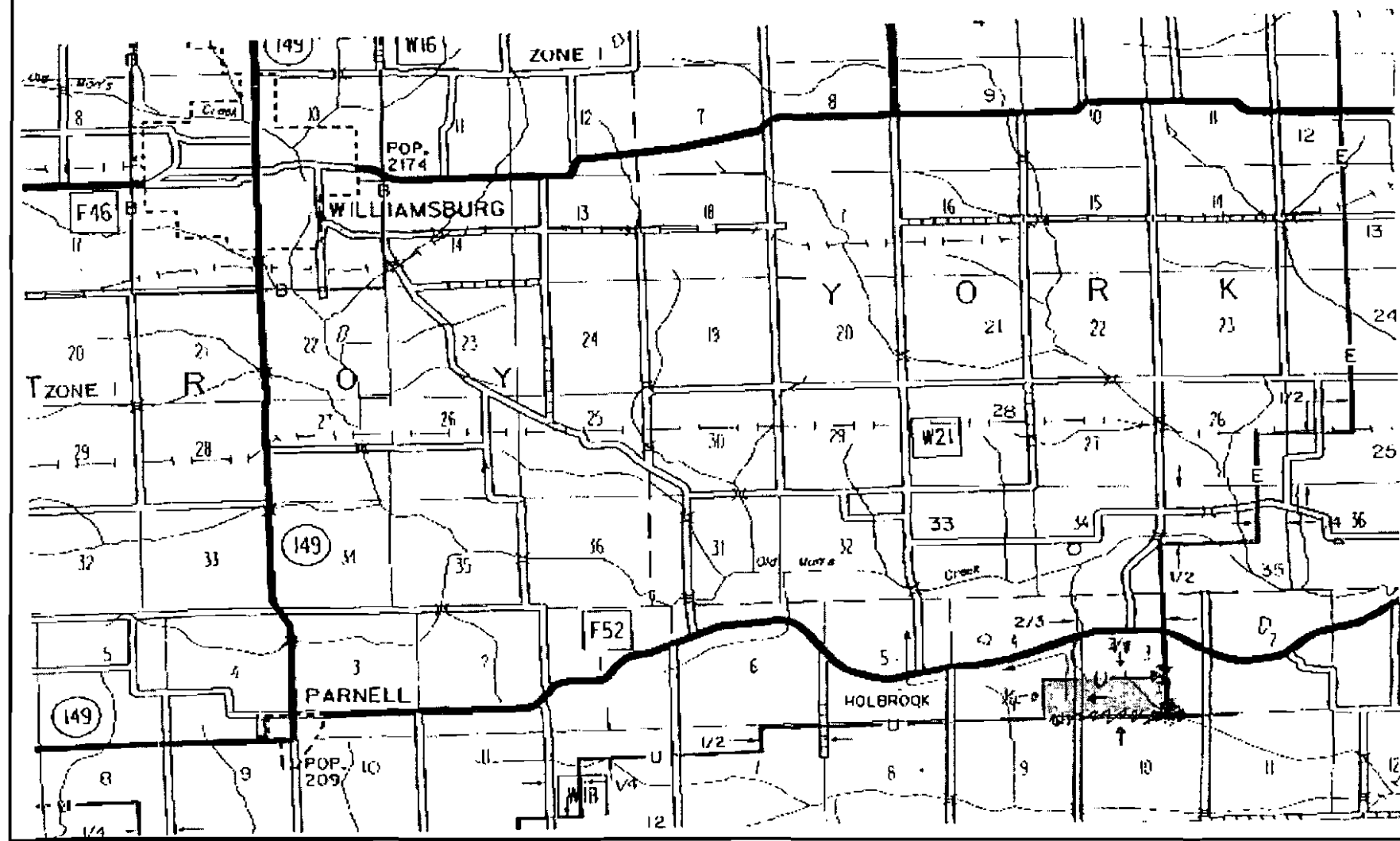
SCALE: 1" = 1 MILE

HunTel Engineering

DRAWN BY: KARL M. KOLLEY	DATE: 03-28-94	APPROVED BY: S. V. S. R. P.	DATE: 03-28-94
MAP FILLED: 04-08-95	PROP. EFFECTIVE DATE:	REVISION: REASON:	32 04-01

JAN. 5, 1995








**CERTIFICATION ON BEHALF OF**  
**WELLMAN COOPERATIVE TELEPHONE ASSOCIATION**

I, Randy Kelley, General Manager of Wellman Cooperative Telephone Association ("WTCA"), declare under penalty of perjury that WTCA, including all officers, directors, or persons holding five percent or more of the outstanding stock or shares (voting and/or non-voting) of WTCA as specified in Section 1.2003(b) of the Commission's Rules, is not subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.


Executed on: 10-13-09

  
\_\_\_\_\_  
Randy Kelley  
General Manager  
Wellman Cooperative Telephone Association

**DECLARATION OF D. MICHAEL ANDERSON**

I, D. Michael Anderson, Vice President – External Affairs of Iowa Telecommunications Services, Inc., (“Iowa Telecom”) declare under penalty of perjury that Iowa Telecom, including all officers, directors, or persons holding five percent or more of the outstanding stock or shares (voting and/or non-voting) of Iowa Telecom as specified in Section 1.2003(b) of the Commission’s Rules, is not subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

Executed on: 10/13/09

A handwritten signature in black ink, appearing to read 'D. Michael Anderson', written over a horizontal line.

D. Michael Anderson  
Vice President – External Affairs  
Iowa Telecommunications Services, Inc.

Invoice No.  
FLING FEE

Date  
09/18/2009

Payment Amount  
\$7,725.00

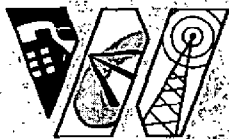
Debit Memo Amt  
\$0.00

Description  
STUDY AREA WAIVER FILING FEE

09/18/2009

012129

WELLMAN CO-OP TELEPHONE ASSOCIATION



WELLMAN CO-OP TELEPHONE ASSOCIATION

305 8th Avenue • P.O. Box 170 • Wellman, IA 52356 • PH. 319-646-6075

FEDERATION BANK  
WELLMAN, IA 52356

72-1567  
0739

CHECK NO.

012129

DATE

09/18/2009

AMOUNT

\$7,725.00

PAY EXACTLY

\*\*\*Seven Thousand Seven Hundred Twenty Five And 00/100\*\*\*

WELLMAN CO-OP TELEPHONE ASSOCIATION

TO  
THE  
ORDER  
OF

FEDERAL COMMUNICATIONS COMMISSION  
445 12TH STREET, S.W.

WASHINGTON DC 20554

Jayne S. Holsteden  
AUTHORIZED SIGNATURE

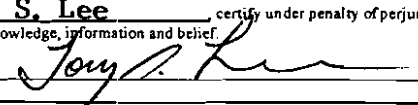
Paul E. Kelley  
AUTHORIZED SIGNATURE

⑈012129⑈ ⑆073915672⑆ 362310822⑈

READ INSTRUCTIONS CAREFULLY  
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION  
**REMITTANCE ADVICE**  
FORM 159

Approved by OMB  
3060-0589  
Page No. 1 of 1

(1) LOCKBOX # <b>979091</b>		SPECIAL USE ONLY	
		FCC USE ONLY	
<b>SECTION A - PAYER INFORMATION</b>			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) <b>Wellman Cooperative Telephone Association</b>		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) <b>\$7,725.00</b>	
(4) STREET ADDRESS LINE NO. 1 <b>305 8th Avenue</b>			
(5) STREET ADDRESS LINE NO. 2 <b>P.O. Box 170</b>			
(6) CITY <b>Wellman</b>		(7) STATE <b>IA</b>	(8) ZIP CODE <b>52356</b>
(9) DAYTIME TELEPHONE NUMBER (include area code) <b>319-646-6075</b>		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) <b>0002592426</b>		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME <b>Wellman Cooperative Telephone Association</b>			
(14) STREET ADDRESS LINE NO. 1 <b>305 8th Avenue</b>			
(15) STREET ADDRESS LINE NO. 2 <b>P.O. Box 170</b>			
(16) CITY <b>Wellman</b>		(17) STATE <b>IA</b>	(18) ZIP CODE <b>52356</b>
(19) DAYTIME TELEPHONE NUMBER (include area code) <b>319-646-6075</b>		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) <b>0002592426</b>		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE <b>BEA</b>	(25A) QUANTITY <b>1</b>	
(26A) FEE DUE FOR (PTC) <b>\$7,725.00</b>	(27A) TOTAL FEE <b>\$7,725.00</b>	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2	
<b>SECTION D - CERTIFICATION</b>			
CERTIFICATION STATEMENT I, <b>Tony S. Lee</b> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE 		DATE <b>10/15/09</b>	
<b>SECTION E - CREDIT CARD PAYMENT INFORMATION</b>			
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____			
ACCOUNT NUMBER _____		EXPIRATION DATE _____	
I hereby authorize the FCC to charge my credit card for the service(s)/authorization herein described			
SIGNATURE _____		DATE _____	

FEDERAL COMMUNICATIONS COMMISSION <b>REMITTANCE ADVICE (CONTINUATION SHEET)</b> FORM 159-C Page No <u>2</u> of <u>2</u>		SPECIAL USE FCC USE ONLY
USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT SECTION BB - ADDITIONAL APPLICANT INFORMATION		
(13) APPLICANT NAME <b>Iowa Telecommunications Services, Inc.</b>		
(14) STREET ADDRESS LINE NO 1 <b>403 W. 4th Street N.</b>		
(15) STREET ADDRESS LINE NO 2		
(16) CITY <b>Newton</b>	(17) STATE <b>IA</b>	(18) ZIP CODE <b>50208</b>
(19) DAYTIME TELEPHONE NUMBER (include area code) <b>641-787-2337</b>		(20) COUNTRY CODE (if not in U.S.A.)
FCC REGISTRATION NUMBER (FRN) REQUIRED		
(21) APPLICANT (FRN) <b>0006236475</b>		(22) FCC USE ONLY
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET		
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE	(25A) QUANTITY
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE	FCC USE ONLY
(28A) FCC CODE 1		(29A) FCC CODE 2
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY
(28B) FCC CODE 1		(29B) FCC CODE 2
(23C) CALL SIGN/OTHER ID	(24C) PAYMENT TYPE CODE	(25C) QUANTITY
(26C) FEE DUE FOR (PTC)	(27C) TOTAL FEE	FCC USE ONLY
(28C) FCC CODE 1		(29C) FCC CODE 2
(23D) CALL SIGN/OTHER ID	(24D) PAYMENT TYPE CODE	(25D) QUANTITY
(26D) FEE DUE FOR (PTC)	(27D) TOTAL FEE	FCC USE ONLY
(28D) FCC CODE 1		(29D) FCC CODE 2
(23E) CALL SIGN/OTHER ID	(24E) PAYMENT TYPE CODE	(25E) QUANTITY
(26E) FEE DUE FOR (PTC)	(27E) TOTAL FEE	FCC USE ONLY
(28E) FCC CODE 1		(29E) FCC CODE 2
(23F) CALL SIGN/OTHER ID	(24F) PAYMENT TYPE CODE	(25F) QUANTITY
(26F) FEE DUE FOR (PTC)	(27F) TOTAL FEE	FCC USE ONLY
(28F) FCC CODE 1		(29F) FCC CODE 2